



California Energy Commission

AB 1257: The “Natural Gas Act”



Natural Gas Stakeholders Working Group
California Energy Commission: Hearing Room A

April 16, 2014

Silas Bauer

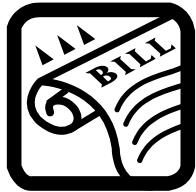
Natural Gas Unit

Electricity Supply Analysis Division

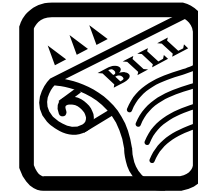
sbauer@energy.ca.gov / 916-651-1229



California Energy Commission



Purpose of the Bill



AB 1257 (Chapter 749 of the 2013 statutes)

- Tasks the CEC with publishing a report that:
“identifies strategies to maximize the benefits obtained from natural gas, including biomethane, as an energy source”
- Ten topic areas
- Consult with the CPUC, State Water Resources Control Board, CAISO, ARB, Dept. of Conservation and DOGGR, to obtain input
- Report due by November 1, 2015



Ten Areas of Focus

1. NG as a **transportation fuel**
2. NG-fired generation as **part of a resource portfolio** including **CHP**
3. NG as a **low-emission resource**, including **potential zero and near-zero GHG emissions**, and **biogas** options
4. NG optimized as an **end use energy source for efficiency** in heating, water heating, cooling, cooking, engine operation, and optimization of appliances for these uses
5. The need for long-term policy to ensure adequate **infrastructure and storage**, maintaining or enhancing **pipeline and system reliability**
6. The role of NG in the development of **zero net energy (ZNE) buildings**



Cross Cutting Topics



7. Methods by which the **electric and natural gas industries can facilitate implementation** of any of these strategies
8. Optimizing the methods by which the pursuit of these strategies can facilitate **jobs development** in the private sector, particularly in distressed areas
9. Optimizing the methods by which **state and federal policy** can facilitate any of the proposed strategies
10. Evaluating the **economic and environmental costs and benefits of proposed strategies, including life-cycle greenhouse gas emissions** based on:

“authoritative, peer-reviewed, and science-based analysis or in consultation with the State Air Resources Board”



IEPR Coordination

- 2014 IEPR Update focuses on transportation
 - IEPR sub-section on NG as a transportation fuel
- 2015 IEPR
 - IEPR sub-section on all AB 1257 topics





Tentative Report Work Plan

- What are We Working on Now?
 - NG as a transportation fuel with the Fuels and Transportation Office
- Workshops
 - **IEPR Transportation Workshop**
 - May 1 (Tentatively)
 - **Fugitive methane emissions and life-cycle GHG emissions**
 - Late summer workshop
 - **ZNE buildings, efficiency, and appliances**
 - Early 2015 workshop
 - **NG infrastructure, storage and pipeline safety**
 - Early spring 2015 workshop
 - **Draft AB 1257 Report Workshop**
 - Summer 2015





Stakeholder Participation

- Strongly encouraged to docket economic and environmental costs and benefit research
- Strongly encouraged to attend the workshop and enter comments into the public record





AB 1257 Report Draft Schedule

- Draft Reports
 - Early Summer 2015: First draft report
 - Summer 2015: Draft Report Workshop
 - Early Fall 2015: Revisions
 - By November 1, 2015: Final Report Published





Questions



Silas Bauer | sbauer@energy.ca.gov | 916 651-1229